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Foreign CROPS AND MARKETS

VOLUME 59

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FOR RELEASE

MONDAY

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UNITED STATES DEPARTMENT OF AGRICULTURE
OFFICE OF FOREIGN AGRICULTURAL RELATIONS
WASHINGTON 25, D.C.

LATE NEWS

As a result of its reversal of a recent policy of relaxation of import controls on many agricultural products, Canada may continue import embargoes on fruits and restrict many vegetable items from the United States from which the Canadians realize an estimated saving of an average of $2 million per month in scarce United States dollars. This is a continuation of a policy originally adopted by Canada in November, 1947 when its dollar reserves became critical.

The reason for deferment of further relaxation of the embargo is attributed in part to possible effects of the British situation on the official Canadian gold and United States dollar reserves, and a growing Canadian deficit in trade with the United States. No appraisal of the effects on Canada of the sterling area reduction in dollar purchases is yet possible.

Earlier reports (see Foreign Crops and Markets, April 4, 1949) indicated restrictions then being imposed on imports of fruits and vegetables from the United States would be revoked by July 1. This latest Canadian announcement to defer lifting of restrictions seems to indicate that control measures on fruits and vegetables will be continued and reports are that more quotas and prohibitions may be introduced. Illustrative of this reversal in policy is the introduction of an import embargo on fresh pears effective as of July 12. Pears have been permitted entry into Canada under open general permit since May 2.

- - - - - -

Winter grains in the United Kingdom on the whole have stood the dry weather well, and 1949 yields of these crops should be slightly above the 10-year average, although below the high yields of 1948, the American Embassy in London reports.

Prospects for spring-sown crops are for only average or slightly below-average yields unless rain is forthcoming shortly. Late-sown crops and those on lighter soils, especially, are suffering from lack of moisture and below-average in condition.

(Continued on Page 102)

FOREIGN CROPS AND MARKETS

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WORLD TRADE IN RAW WOOL IN 1947 AND 1948

World trade in raw wool, estimated at 2.5 billion pounds in 1948, was down slightly from 1947 but well below the level of nearly 3 billion pounds established in 1946, according to information available to the Office of Foreign Agricultural Relations.

Postwar trade has been appreciably above the prewar (1935-39) average of 2.3 billion pounds. 1/ The larger trade in these years particularly in 1946, was made possible by an unprecedented demand for wool in most consuming countries, together with the large wartime accumulation in Southern Hemisphere supplying countries. With the reopening of European outlets and extension of credits by supplying countries, considerable wool entered world trade in order to meet current mill activity and to build up normal working stocks.

The world trade situation in 1948 was characterized by: (1) strong demand at high prices resulting in a further depletion of world wool stocks; (2) high rate of consumption and lower production of raw wool in the major consuming countries, coupled with some increase in production of raw wool in the major producing countries; and (3) a shift in trade patterns. These factors have caused a greater percent of the wool produced to enter international trade.

Consumption of wool, particularly of the finer grades, has been 25 percent greater than production during the last 3 years. This has caused the wartime accumulation to be worked down to a low level in 3 years instead of the original estimates of 10 or 12. Competition has increased as a result and prices during 1948 increased steadily throughout the marketing season.

Although the rate of consumption is still high in the major consuming countries, there was some evidence at the end of 1948 that the backlog in demand had been met in the United States and in some European countries. Imports into Italy and Belgium were down 57 percent and 47 percent, respectively, due to some falling off in demand for finished goods. Imports continue to be high for the United Kingdom and France, but re-exports are a contributing factor.

Production of raw wool in the major consuming countries in 1948 was about 185 million pounds less than in prewar (1936-40) years, while production in the major producing countries in 1948 was about 24 million pounds greater than prewar. The greatest decrease in production occurred in the United States, while the greatest increase was in Oceania.

1/ For information on world wool production by countries, see FW 1-49, Foreign Agriculture Circular ("World Wool Production in 1948 and Preliminary 1949, June 20, 1949.")

WOOL: International Trade - Average 1935-39,
Annual 1946, 1947 and 1948
(Actual weight)

Continent and country	Average 1935-39		1946		1947 1/		1948 1/	
	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
NORTH AMERICA								
Canada	6,241	19,337	5,375	53,169	3,131	39,339	3,070	42,399
Mexico	2/	2,041	5	12,092	2/	9,140	3/	3/
United States	325	224,498	13,389	1,246,727	12,720	644,000	1,071	757,523
Total	6,566	245,876	18,769	1,311,988	15,851	692,479	4,141	799,922
EUROPE								
Austria	183	4/5/ 20,900	3/	3/	733	11,969	360	12,175
Belgium	98,316	226,345	16,789	263,683	69,548	260,286	51,039	164,700
Bulgaria	4	1,693	3/	3/	3/	3/	3/	3/
Czechoslovakia	4/5/ 1,050	4/5/ 36,387	0	25,006	0	64,805	0	38,593
Denmark	353	4,149	991	9,235	621	12,812	390	8,986
Eire	14,250	691	8,355	4,413	8,749	5,280	9,421	4,547
Finland	0	5,772	1	3,157	0	7,104	0	8,168
France	59,575	403,345	3,494	482,288	6,682	424,400	2,728	488,670
Germany	0	259,932	0	0	0	6/3/	0	7/ 64,000
Greece	1,706	7,717	0	2,158	0	4,250	0	5,152
Hungary	839	2,126	0	2,476	0	7,765	3/	3/
Iceland	1,512	0	1,700	0	1,240	0	747	0
Italy	1,040	78,958	0	162,463	8/ 1,703	8/ 298,786	8/ 2,664	8/ 128,503
Netherlands	3,908	16,318	4,797	32,419	1,014	56,059	1,287	35,329
Norway	272	2,161	1/ 9	1/ 7,767	9	8,862	1	7,672
Poland	4/ 80	4/ 46,045	0	9/ 42,461	0	40,600	0	48,300
Portugal	2,188	3,377	88	14,610	815	15,935	645	4,486
Rumania	600	1,334	3/	3/	3/	3/	3/	3/
Spain	10/ 2,195	10/ 12,236	2/	7,302	44	5,533	2/	11,583
Sweden	427	16,885	5,894	39,270	1,400	31,977	3/	31,000
Switzerland	271	17,234	1,829	37,639	501	30,392	303	20,702
United Kingdom	26,072	628,893	41,185	384,945	25,105	468,595	20,702	522,263
Yugoslavia	1,143	8,179	3/	3/	3/	3/	3/	3/
Total	215,984	1,800,677	85,132	1,521,292	118,164	1,755,410	90,287	1,604,830
U.S.S.R. 11/	-	67,550	3/	3/	3/	8/ 29,509	3/	8/ 59,621

ASIA								
Cyprus	1,226	0	3/	3/	3/	3/	3/	3/
Iran	12,890	0	5,513	1,095	5,671	1,086	3/	3/
Iraq	13,651	0	16,307	0	6,162	0	15,573	0
Lebanon	12/	12/	12/	12/	12/	12/	8,762	0
Syria	4/ 5,787	4/ 386	6,302	0	8,031	0	6,612	0
Turkey	17,639	1,182	1,159	10,400	1,739	11,905	1,059	7,694
Afghanistan	3/	3/	3/	3/	3/	3/	3,485	0
China	23,608	0	1,036	0	3,507	0	3/	3/
India	-	-	32,172	17,450	8,503	5,743	11,200	14,537
Japan	0	188,257	3/	3/	0	3,200	3/	3/
Pakistan	-	-	13/	13/	13/	13/	26,526	192
Total	74,801	189,825	62,489	28,945	33,613	21,974	73,217	22,423
SOUTH AMERICA								
Argentina	305,725	80	452,404	0	376,394	0	418,202	0
Bolivia	0	166	0	2,814	3/	3/	3/	3/
Brazil	10,151	3,783	4,796	3,967	9,169	6,909	15,631	6,236
Chile	23,335	769	16,667	3,897	13,148	2,112	16,512	2,171
Colombia	59	36	73	2,133	3/	3/	3/	3/
Ecuador	132	0	3/	3/	3/	3/	3/	3/
Falkland Islands	4,084	0	3/	3/	3,340	0	3,364	0
Peru	5,130	0	645	263	972	0	545	0
Uruguay	105,478	0	130,013	0	159,633	0	136,345	0
Total	454,035	4,798	504,598	13,074	562,656	9,021	590,599	8,407
AFRICA								
Algeria	12,822	0	741	3,366	3/	3/	138	7,912
Egyptian Sudan	-	-	71	53	3/	3/	3/	3/
Kenya and Uganda	-	-	669	0	909	0	3/	3/
Egypt	4,489	0	1/ 797	1/ 457	646	1,369	974	1,616
French Morocco	10,036	0	4,931	1,246	2,590	4,475	3/	3/
Southern Rhodesia	-	-	18	0	9	0	3/	3/
Tunisia	4/ 3,241	0	524	0	0	230	0	452
Union of South Africa	228,555	0	467,404	7,731	220,400	0	225,300	0
Total	259,143	0	475,155	12,853	224,554	6,074	226,412	9,980
OCEANIA								
Australia	821,740	0	1/ 1,168,964	1/ 5,141	940,500	0	1,070,000	0
New Zealand	273,618	0	365,199	0	354,490	0	412,000	0
Total	1,095,358	0	1,534,163	5,141	1,294,990	0	1,482,700	0
World total	2,105,887	2,308,726	2,780,306	2,893,293	2,249,828	2,514,427	2,467,356	2,505,183

1/ Preliminary. 2/ Less than 500 pounds. 3/ Not available. 4/ Four year average 1935- to 1938. 5/ Beginning April 1938, trade between Austria and Germany no longer reported as foreign trade in Germany Statistics. The same applies to trade between Czechoslovakia for the period October to December 1938. 6/ Imports commenced September 1947. 7/ Based on exports from primary sources. 8/ Includes scoured, dyed and waste. 9/ UNRRA supplied 37 million pounds. The rest was supplied by U.S.S.R. 10/ Two year average. 11/ Present territory. 12/ Included in Syria. 13/ Included in India.

Office of Foreign Agricultural Relations. Prepared or estimated from official statistics of foreign governments, reports of U.S. Foreign Service officers and other information.

The most significant change in the world wool trade picture in 1947 and 1948 was the increase of over 300 percent in United States imports above prewar.

Australia, Argentina, New Zealand, the Union of South Africa and Uruguay supplied nearly 95 percent of the world trade requirements for raw wool in 1947 and 1948, compared with slightly more than 80 percent in the prewar period. Domestic consumption has increased in these countries, but greater production, plus large wartime accumulations which are rapidly being depleted, enabled exports to remain large.

United States imports were about one-fifth larger in 1948 than in 1947 and more than three times greater than the prewar (1935-39) average. Imports remain large both because of a strong demand and a considerable reduction in domestic production and accumulated stocks.

Although import statistics are not available, the Soviet Union was a large importer in 1947 and 1948. That country purchased considerable quantities of wool in those years in Australia, New Zealand, Uruguay, and Argentina, and well as from offerings in the United Kingdom.

Other countries importing larger quantities of wool include the United Kingdom, France, Belgium, and Italy. These 4 countries and the United States import the bulk of the wool entering world trade, much the same as the 5 Southern Hemisphere countries named above dominate the export of raw wool.

BANANA EXPORTS UP 7 PERCENT

Banana exports for 1948 from the world's principal exporting countries are estimated to be 90.6 million bunches of 50 pounds. This was 7 percent higher than the 1947 export of 84.6 but 17 percent below the prewar average of 109.4 million.

Exports during 1948 are 3 times greater than during 1943 when shipping was disrupted and exports dropped to 29.8 million bunches. In 1948, the Western Hemisphere supplied 86 percent of the tonnage entering international trade as compared with 87 percent for 1947 and 83 percent prewar. The remainder of the 1948 exports were supplied by Africa, 12 percent, Asia and Oceania, 1 percent each.

In the North American area, 5 countries, namely Honduras, Guatemala, Costa Rica, Mexico and Jamaica supplied 75 percent of the 62.3 million bunches exported during 1948. Honduras exported 15.3 million bunches, about the same as in 1947 and about 3 million more than during the prewar (1934-38) period. Of this total, the United States took 89 percent or 13.7 million bunches and Canada 10 percent. The remainder went to Europe.

Guatemala's export of 14.3 million bunches is a little less than during 1947, but twice the amount exported prewar. Lower exports from Guatemala than were anticipated in 1948 were attributed partly to labor troubles. The entire shipment came to the United States.

Exports from Costa Rica have increased steadily from 4.2 million bunches prewar to 6.2 for 1947 to 8.4 million for 1948. Volume of shipments has increased in the Pacific Coast district.

Mexico's shipments of 4.5 million bunches are 20 percent below the 1947 export of 5.6 million but 63 percent below the prewar average of 12.2. Rapid expansion of plantings in the Tabasco-Northern-Chiapas region is expected almost to double production in that area during 1949.

In Jamaica exports amounted to 4.2 million bunches, a little more than during 1947 but 72 percent below the prewar average of 14.8 million. Under a new agreement with Jamaica, the United Kingdom has agreed to accept all bananas including the new variety, "Lacatan", through 1952, and to accept responsibility for wastage on inspected cargoes during the voyage, beyond the control of the Jamaican shippers.

Brazil accounted for 45 percent of South America's 15.8 million bunches; Ecuador, 27 percent and Colombia, 23. Brazil's exports of 7.2 million are steadily climbing toward their largest export figure of 10.5 million in 1939. Argentina is still the largest receiver of Brazil's bananas, taking in 1948, 85 percent or 6 million bunches.

The United States imported 2.7 million bunches of Ecuador's export of 4.2 million while Chile took 1 million. Exports from Colombia amounted to 3.7 million bunches, 1 million above the 1947 export but about half as large as prewar. These exports have also increased steadily from a low of 1,000 bunches in 1943.

Exports from the Canary Islands, estimated at 6.4 million, comprise 57 percent of the 11.2 million estimated as Africa's total export for 1948. Spain is the chief importer of bananas from the Canaries but European countries are re-entering the market with England in the leading position.

Imports into the principal importing countries of the world are estimated at 90.6 million bunches, 9 percent above the 82.9 million in 1947 but 17 percent below the prewar average of 109.3 million.

Of the 1948 total, Canada and the United States imported 67 percent; Europe, 23; South America, 9; with the remaining 1 percent going to Asia, Africa and Oceania. Honduras and Guatemala supplied the United States with 43 percent, or 13.8 and 10.7 million bunches, during 1948, compared with 13.8 and 11.7 million (47 percent) respectively for 1947. Panama, Costa Rica and Mexico supplied 36 percent and the remaining 21 percent came principally from Ecuador, Cuba, Colombia, Haiti and the Dominican Republic.

BANANAS: International trade 1934-38, annual 1941-48

Continent and country	Average 1934-38	1941	1942	1943	1944	1945	1946	1947	1948 1/
	1,000 bunches	1,000 bunches	1,000 bunches	1,000 bunches	1,000 bunches	1,000 bunches	1,000 bunches	1,000 bunches	1,000 bunches
	Exports from specified exporting countries								
NORTH AMERICA									
British Honduras	612	337	97	42	195	145	85	162	134
Costa Rica	4,217	4,835	2,267	2,386	1,884	2,479	4,920	6,178	8,398
Guatemala	7,370	6,955	5,019	2,546	4,919	8,547	9,758	14,884	14,332
Honduras	2/ 12,353	12,865	6,514	6,146	10,404	13,138	14,184	15,211	15,326
Mexico	12,230	3,977	3,548	4,830	3,981	3,502	5,039	5,641	4,527
Nicaragua	2,168	585	58	0	8	85	220	327	424
Panama, Republic of	8,027	7,937	3,324	1,323	1,624	3,600 3/	7,266 3/	6,384 3/	6,790
Panama Canal Zone	1,541	1,676	555	0	5	43	4/	4/	4/
Cuba	5,316	3,335	1,916	1,316	1,083	1,162	1,952	1,901	1,251
Dominica	57	49	12	3	3	3	3	4	4
Dominican Republic	88	835	620	611	377	971	1,221	930	1,390
Grenada	65	49	14	9	6	2	3	7	10
Guadeloupe	1,553	325	100	138	112	462	838	1,404	2,158
Haiti 5/	489	1,970	1,159	362	1,734	2,409	3,528	4,381	2,128
Jamaica	14,824	3,912	943	202	782	1,258	4,194	3,957	4,224
Martinique	1,192	85	5	2	4	6/	144	483	1,247
St. Lucia	56	40	2	1/	1/	1/	1/	1/	1/
St. Vincent	22	14	1	0	0	0	0	0	0
Trinidad and Tobago	71	9	0	0	0	1/	2	2	2
Total	72,251	49,790	26,154	19,916	27,121	37,806	53,357	61,856	62,345
ASIA									
Syria and Lebanon	4	4	1/	0	1/	11	15	15	20
Japan 8/	186	159	58	66	0	0	0	0	0
Formosa 9/	5,378	3,200	1,890	0	0	0	0	0	0
Formosa	704	576	231	996	529	0	173	412	600
Indonesia	126	86	0	0	0	0	0	0	0
Total	6,398	4,025	2,179	1,062	529	11	188	427	620
SOUTH AMERICA									
Brazil	8,714	4,048	2,444	1,824	2,152	2,823	4,664	5,653	7,180
Colombia	7,122	3,400	296	1	532	1,316	1,820	2,739	3,697
Ecuador	2,100	1,467	968	677	595	763	1,432	2,956	4,206
Surinam	3	0	0	0	0	0	0	0	0
Venezuela	105	87	206	344	206	300	400	586	700
Total	18,044	9,002	3,914	2,846	3,485	5,202	8,316	11,934	15,783

BANANAS: International trade 1934-38, annual 1941-48

Continent and country	Average 1934-38	1941	1942	1943	1944	1945	1946	1947	1948 1/
	1,000 bunches	1,000 bunches	1,000 bunches	1,000 bunches	1,000 bunches	1,000 bunches	1,000 bunches	1,000 bunches	1,000 bunches
AFRICA									
Algeria	5	0	0	0	0	0	0	0	0
Belgian Congo	58	35	35	40	40	51	78	88	200
Canary Islands	5,861	5,004	4,521	4,400	5,061	5,512	5,844	6,120	6,400
Egypt	17	0	0	0	5	6	7	7	18
Eritrea	885	0	0	0	0	0	0	22	16
French Cameroon	719	0	0	0	0	0	207	751	800
French Guinea	1,778	449	57	44	35	16	252	1,094	1,265
Ivory Coast	295	116	1/	0	0	0	75	285	541
Gold Coast	33	5	1/	1/	1	1/	1/	1/	1/
Mozambique	443	793	979	1,199	951	1,086	540	663	455
Nigeria and Cameroon	1,982	0	1	1	1/	1/	205	891	1,528
Sao Tome and Principe	9	5	5	7	7	18	20	20	20
Total	12,085	6,407	5,598	5,691	6,100	6,689	7,228	9,941	11,243
OCEANIA									
Fiji	286	95	183	154	74	140	156	233	300
Hawaii 10/	98	90	0	0	0	0	0	0	0
Tonga Islands	31	78	81	63	48	52	50	50	100
Western Samoa	238	291	131	105	53	180	205	163	174
Total	653	554	395	322	175	372	411	446	574
World total	109,431	69,778	38,240	29,837	37,410	50,080	69,500	84,604	90,565
Imports into specified importing countries 11/									
NORTH AMERICA									
Canada	2,488	2,485	756	840	2,113	3,647	4,856	3,806	3,369
United States 12/	59,498	50,713	23,363	20,745	27,244	36,862	46,626	54,176	57,145
Total	61,986	53,198	24,119	21,585	29,357	40,509	51,482	57,982	60,514
EUROPE									
Belgium	986	0	1	0	0	4	465	1,764	1,298
Denmark	161	0	0	0	0	10	2	1/	1/
Ireland (Eire)	247	0	0	3	0	0	39	169	265
Finland	110	0	0	0	0	1/	1/	1/	0
France	7,522	774	27	1/	17	3	1,102	3,772	6,297
Germany	5,281	45	11	0	0	0	0	0	0
Italy	845	0	0	0	-	-	1	9	35
Netherlands	1,367	1/	1/	0	-	-	37	76	49
Norway	322	0	0	0	0	54	184	135	0
Spain	2,268	4,505	3,449	2,796	2,117	2,336	1,521	5,258	5,300
Sweden	439	0	0	0	1	83	956	575	284
Switzerland	291	24	104	163	100	164	324	334	411
United Kingdom	13,071	4	0	0	0	50	4,549	4,698	6,639
Total	32,910	5,352	3,592	2,962	2,235	2,704	9,180	16,790	20,578

BANANAS: International trade 1934-38, annual 1941-48

Continent and country	Average 1934-38	1941	1942	1943	1944	1945	1946	1947	1948 1/
	1,000 bunches	1,000 bunches	1,000 bunches	1,000 bunches	1,000 bunches	1,000 bunches	1,000 bunches	1,000 bunches	1,000 bunches
ASIA									
Iraq	12	4	0	1/	1/	1/	0	0	0
Japan 13/	5,378	3,200	1,890	0	0	0	0	0	0
Korea 9/	186	159	58	66	0	0	0	0	0
Palestine	0	13	41	67	92	110	170	200	200
Total	5,576	3,376	1,989	133	92	110	170	200	200
SOUTH AMERICA									
Argentina	6,394	4,309	2,575	1,593	1,953	2,108	3,169	4,540	6,000
Chile	584	768	653	426	648	651	849	1,129	1,031
Uruguay	360	506	418	382	320	334	696	786	900
Total	7,338	5,583	3,646	2,401	2,921	3,093	4,714	6,455	7,931
AFRICA									
Algeria	233	8	1/	0	0	0	0	0	0
South West Africa	4	4	6	7	10	6	10	10	10
Spanish Morocco	16	29	9	14	24	28	30	30	30
Union of South Africa	232	382	500	624	478	553	285	570	402
Total	485	423	515	645	512	587	325	610	442
OCEANIA									
Australia	72	30	1/	-	-	-	-	-	1/
New Zealand	505	471	483	359	222	368	494	466	549
Total	577	501	483	359	222	368	494	466	549
Other Countries 14/	411	0	0	996	529	0	173	412	400
World total	109,283	68,433	34,344	29,081	35,868	47,371	66,538	82,915	90,614

1/ Preliminary. 2/ Crop years Aug. 1 - July 31, 1933-34 through 1936-37; Aug. 1 -June 30, 1937-38; July 1 - June 30, 1939; subsequent years are calendar. 3/ Includes Panama Canal Zone. 4/ Included in Panama Republic. 5/ Year beginning Oct. 1. 6/ Not available. 7/ Less than 500 bunches. 8/ Trade with Korea. 9/ Trade with Japan. 10/ Shipments to United States. 11/ Reexports have been deducted. 12/ Includes shipments from Hawaii. 13/ Trade with Formosa. 14/ China, except the 1934-38 average which includes the following: Austria 43, Czechoslovakia 125, Hungary and Esthonia each 2, Latvia and Lithuania each 5, Malta 18, Tangier 10, French Morocco 92, and Tunisia 109.

Office of Foreign Agricultural Relations. Prepared or estimated on the basis of official statistics of foreign governments, reports of U.S. Foreign Service officers, results of office research and other information. All figures have been converted to count bunches of 50 lbs.

Canada imported 3.4 million bunches in 1948, 11 percent less than in 1947. Imports came chiefly from Guatemala which shipped 1.3 million and Honduras, which supplied 1.2 million bunches.

Imports into Europe amounted to 20.6 million bunches, the United Kingdom, France and Spain receiving 18.2 million or 89 percent. Imports into the United Kingdom of 6.6 million bunches were 41 percent higher than during 1947 but were only about half of the prewar total of 13.1 million. Bananas came chiefly from British West Indies, Nigeria and the Canaries, with 3.0, 2.1 and 1.5 million bunches respectively. Imports into France amounting to 6.3 million bunches in 1948 were 67 percent above the 1947 export of 3.8 million but 16 percent below the prewar average of 7.5 million. Most of the imports into France are supplied by French possessions. Spain's imports come chiefly from the Canaries and are estimated to be 5.3 million bunches in 1948. Belgium imported in 1948, 1.3 million bunches, about a half million less than during 1947 but more than it had imported prewar.

In South America, Argentina, Chile and Uruguay comprise the total of 7.9 million bunches with 6 million, 1 million and 9 hundred thousand, respectively. Argentina and Uruguay received most of their bananas from Brazil, while Chile's 1948 supply came chiefly from Ecuador.

The Union of South Africa imports most of its bananas from Mozambique. Imports in 1948 are estimated to be 402,000 bunches compared with 570,000 bunches for 1947 and 232,000 prewar. Imports into New Zealand of 549,000 bunches were supplied by Fiji, Western Samoa and Tonga Islands.

OUTLOOK GOOD FOR 1949-50 MEDITERRANEAN BASIN OLIVE OIL PRODUCTION [1]

Prospects are good for production of edible olive oil in the Mediterranean Basin in 1949-50. The output has been forecast at about 900,000 short tons. Since the olive tree bears better in alternate years, a good crop in 1949 should follow the poor one in 1948. Also, reports from the producing countries indicate that weather conditions, important at blooming time, have been generally favorable and should be reflected in a good crop.

Exports of olive oil, expected to be low in 1949, should be larger in 1950 if prices are in line with those of other vegetable oils now in plentiful supply. Olive oil from the 1949-50 season should become available in November when pressing operations normally begin. Postwar exports of olive oil from the Mediterranean Basin have been dominated by Spain, Tunisia, and Italy which together have accounted for more than 70 percent of the total. (see chart) Average total yearly exports for the 4-year period 1945-48 were 34,750 tons.

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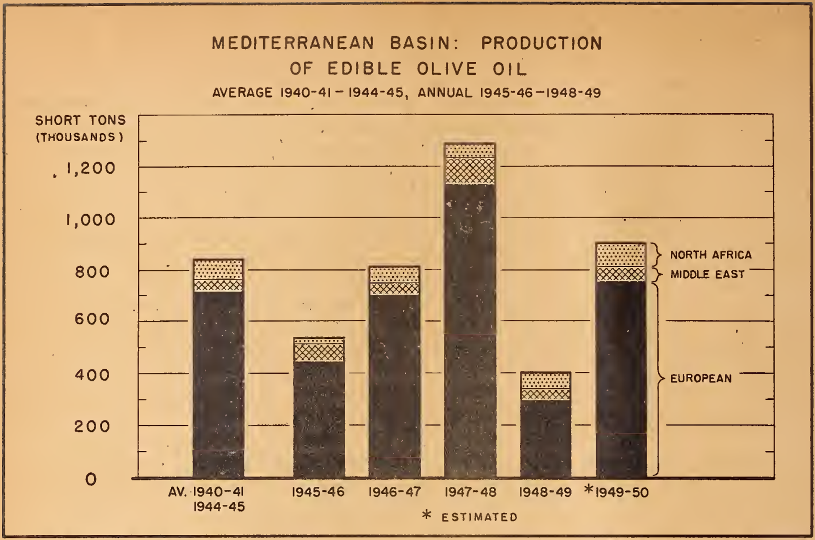
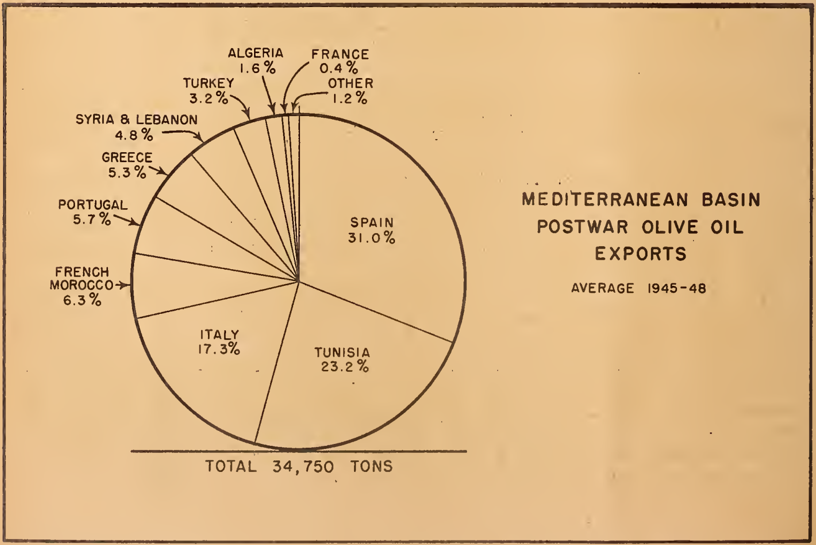
[1] A more extensive statement summarizing the 1948-49 Mediterranean Basin production is contained in Foreign Agriculture Circular FFO-14-49, entitled "Olive Oil; Mediterranean Basin Production and Trade." This circular is obtainable from the Office of Foreign Agricultural Relations, U.S. Department of Agriculture, Washington 25, D. C.



U. S. DEPARTMENT OF AGRICULTURE NEG. 1178 OFFICE OF FOREIGN AGRICULTURAL RELATIONS



U. S. DEPARTMENT OF AGRICULTURE NEG. 1179 OFFICE OF FOREIGN AGRICULTURAL RELATIONS

BRITISH IMPORT CUTS AND UNITED STATES AGRICULTURE

In a recent statement in the House of Commons, Sir Stafford Cripps, The British Chancellor of the Exchequer, released additional information regarding the new cuts in British imports intended to stop the drain on British gold and dollar resources that has continued despite ECA assistance. This statement appears to replace the announcement of July 6 which spoke only in general terms of a "standstill" of further British purchases in the dollar area, except in "cases of urgent national interest".

Sir Stafford gave assurances that purchases of tobacco and cotton will be continued but made no specific reference as to what policy may be pursued with respect to food purchases in the United States.

As regards tobacco, the reduced British program calls for the expenditure of $90 million for United States tobacco, as compared with British imports of $100 million in calendar year 1948. Since British stocks of United States tobacco are small, the import cut may necessitate some reduction later in consumer supply. Such a reduction, however, is expected not to exceed 5 percent.

Regarding cotton, Sir Stafford stated that "we shall import at least as much as last year", and indicated that the existing consumption level of United States cotton should not be appreciably affected.

Cuts also will be made in British imports of sugar and of many non-agricultural items, such as wood pulp, paper, steel, non-ferrous metals and machinery. Altogether British imports from the dollar area are to be reduced by about $400 million or about 25 percent.

All these measures were taken pending further discussions scheduled to take place in Washington in September, and may be revised in accordance with the outcome of those talks.

Great Britain traditionally has been the most important United States foreign agricultural market. Despite Empire preferences, this country maintained a share of nearly 15 percent in total British imports of food, tobacco and cotton in 1938. (See table). During and after the war, when other sources of supply were less readily available, this share was even larger. In 1947 it amounted to 18 percent. In the same period, the British imports of United States food, tobacco, and cotton increased in value from $297 million to $563 million, due mainly to price increases.

In the fall of 1947, after having prematurely used up most of the $3.75 billion loan from the United States, the United Kingdom enforced very drastic cuts in agricultural imports from the United States. As a result, such imports dropped to a very low level in the first half of 1948. In that period, British food imports from the United States amounted to only $7 million or only 1.2 percent of the total of British food imports. In the same period, the United States share in British tobacco imports dropped to 51 percent as compared with over 70 percent in the first half of 1947, while this country's share in British cotton imports fell to 24 percent, as compared with 44 percent in the first half of 1947.

(Table on following page; text continued on Page 102)

Dollar Value of Principal Agricultural Imports of the United Kingdom from the United States, and Percentage Share in Total United Kingdom Imports of these Products; 1938, 1947, 1948 and the First Five Months of 1949.

Category	Value in Millions of Dollars 1/				Percentage of Total U.K. Imports			
	1938	1947	1948	Jan.-May 1949	1938	1947	1948	Jan.-May 1949
Grain and Feedstuff	77.6	78.9	1.2	29.5	18.5	12.6	0.1	8.4
Meat and Lard	28.1	40.2	0.2	0.8	6.1	6.6	2/	0.4
Dairy products	0.8	164.3	31.7	14.7	0.2	32.6	6.0	4.7
Fresh and principal dried fruits and fresh vegetables 4/	28.4	41.1	3/	0.1	13.6	10.8	--	2/
Bladders, casings and sausage skins	2.5	6.8	0.1	3/	41.1	48.9	0.8	2/
Other food 5/	24.6	37.1	2.2	9.3	9.6	7.0	0.4	4.0
Total Food and Feed 5/	161.9	368.5	35.5	54.4	9.3	13.8	1.2	4.3
Total Tobacco	86.9	124.7	99.9	5.3	75.9	65.2	57.9	12.8
Total Cotton	47.9	70.4	76.4	86.4	34.0	31.5	18.1	35.3
Total Food, Feed, Tobacco and Cotton	296.7	563.4	211.8	146.1	14.9	18.3	6.0	9.4

1/ Pound sterling figures converted to dollars at ratio of $4.89 for 1938 and $4.03 for other periods. 2/ Less than .05 percent. 3/ Less than $50,000.
4/ Includes following dried fruits: currants; figs and fig cake; plums, prunelloes, prunes and dried apricots and raisins. 5/ Excludes beverages and cocoa preparations and canned salmon.

Source: Accounts Relating to Trade and Navigation of the United Kingdom, December 1948 and May 1949. Office of Foreign Agricultural Relations.

COMMODITY DEVELOPMENTS

GRAINS, GRAIN PRODUCTS AND FEEDS

CUBA ESTABLISHES TARIFF QUOTA ON RICE IMPORTS

The tariff quota on 1949 rice imports into Cuba is set at 4,450,000 quintales (451 million pounds), according to the Cuban Ministry of Agriculture. Information regarding the allocation of this quantity among supplying nations has not been received, but it is understood that arrivals since January 1, 1949, will be charged against the quota.

Unless otherwise fixed, the tariff quota is 3,250,000 quintales (330 million pounds) as set forth in the General Agreement on Tariffs and Trade, 1947. The duty on rice imported from the United States within this quota, under the most-favored-nation tariff agreement, is 84 cents per 100 pounds.

The 1949 quota was fixed by the Cuban Government in accordance with Decree 1747, Official Gazette, June 10, 1949, which effectuates the note in the Cuban Tariff, Item 253-B, Schedule IX, of the General Agreement on Tariffs and Trade.

Note 253-B reads as follows:

"Note: Rice, hulled, suitable for consumption, and semi-hulled, imported in excess of a total quantity of 3,250,000 quintales (330 million pounds) from all countries in any calendar year, shall be subject to duty at a rate not in excess of 3.70 pesos per 100 kilograms ($1.68 per 100 pounds) when imported from the United States of America.

"Provided: That the tariff quota of 3,250,000 quintales shall be increased for any calendar year by the amount which the Government of the Republic of Cuba may determine to be necessary to supply the difference between the estimated Cuban production of rice and the total estimated Cuban consumption of rice in such calendar year, and so much of such increased amount as may be imported from the United States of America shall be subject to duty at a rate not in excess of 1.85 pesos per 100 kilograms (84 cents per 100 pounds). Whenever it is determined by the Government of the Republic of Cuba that the quantity of rice permitted to be imported within the tariff quota provided for in this Note should be allocated among supplying countries, the shares allocated shall be in proportion to the imports from such countries during the 10 calendar years immediately preceding the first year in which such allocation is made."

FATS AND OILS

PRODUCTION OF VEGETABLE OILSEEDS AND OILS IN AUSTRIA, 1948

The principal oilseed crops grown in Austria are rapeseed, linseed, poppy and pumpkin seed. The areas in both linseed and poppy in 1948 were considerably larger than in any postwar year whereas the area in rapeseed represented a further postwar decline. There is little prospect that the acreage planted to oilseeds in 1949 will show any substantial increase.

AUSTRIA: Acreage and production of oilseeds,
1947 and 1948

Oilseed	1947		1948	
	Area	Production	Area	Production
	Acres	Short tons	Acres	Short tons
Rape	12,419	4,267	10,040	4,400
Poppy	2,673	629	3,608	1,085
Flax	6,014	1,001	7,952	1,932
Pumplin seed for oil	5,624	1/	5,817	1/
Sunflower	593	1/	808	1/
Safflower	237	1/	366	1/
Total	27,560	5,897	28,591	7,417

1/ Not available.
American Legation, Vienna.

The quantity of domestically-produced vegetable oils available for non-farm consumption during 1949, about 385 short tons, can meet the present fat rations of non-self-suppliers for only a very short period. Fats and oils in the diet of rationed consumers, as distinct from farmers, on the basis of present ration scales, is about half of the prewar level. According to 1948 regulations farmers were to deliver their entire crop of oilseeds to the Government for ration purposes, except for quantities needed for seed. Enforcement of the delivery regulations were lax, however, mainly because oilseed crops, as a rule, were produced only in small individual quantities.

Austria's supply of fats and oils in 1949 will still depend considerably on imports under the ECA program. The ECA food distribution plan for 1948-49 shows imports into Austria are expected to be 43,000 short tons, with commercial imports totaling 14,000 tons and an estimated domestic total production, including quantities retained for farm consumption, of 1,650 tons.

Imports of poppyseed, mustard seed and linseed were made on the basis of barter transactions. Pumpkin and sunflower seed imports, almost exclusively from Hungary in 1947 and 1948, were made on the basis of a trade and barter agreement between the 2 countries. Imports in 1948 of palm kernels, chiefly from Switzerland, and peanuts from India, are reported to have been the result of commercial barter transactions. Similar transactions were made regarding imports of margarine in 1948, chiefly from Switzerland, Denmark and The Netherlands. Imports in 1948 of edible fats, unspecified, principally from the Netherlands and Switzerland, and olive oil mainly from Italy and France, were made on the basis of barter transactions and trade agreements. Prospects for commercial imports into Austria in 1949 of oilseeds, vegetable oils and fats on a barter basis, in general appear to be better than in 1948.

AUSTRIA: Imports 1/ of fats and oils in 1948

Commodity	1948	Main source of imports
	Short tons	
Poppy seed	164	Iran
Mustard seed	329	Netherlands
Flaxseed	209	Netherlands
Pumpkin & sunflower seed	435	Hungary
Hempseed	54	Italy
Palm kernels	249	Switzerland
Peanuts	273	India
Copra	145	Br. Malacca, China
Margarine	97	Switzerland, Denmark, Netherland
Coconut & palm kernel oil refined	2,174	Netherlands
Hardened edible oils	347	Norway
Edible fats - unspecified	83	Netherlands, Switzerland
Olive oil	117	Italy, France
Other edible oils	3,017	Netherlands
Fish oil	226	Norway, United Kingdom
Sunflower oil	619	Hungary
Total	8,538	

1/ Total ECA imports are not always included in the official import statistics.

American Legation, Vienna.

U.S. LARD EXPORTS SHOW SHARP RISE IN APRIL

Exports of lard from the United States in April were almost three times as great as January shipments chiefly because of the removal of world allocations and export restrictions; large back orders on hand in the United States; plentiful supply and low price; and military shipments mainly to Germany and Austria.

United States: Exports of lard (including neutral)
January-May 1949 monthly by country of destination
(1000 pounds)

Country of destination	January	February	March	April	May
Canada	1,057	1,446	1,155	544	169
Newfoundland and Labador	53	38			
Miquelon and St.Pierre		7			
Mexico	1,349	4,136	3,274	2,311	452
Guatemala	75	4	704	411	709
British Honduras			4		
El Salvador			18		
Nicaragua	9	6	12	4	36
Costa Rica	418	531	345	370	60
Panama, Republic of	69	125	892	157	282
Panama Canal Zone	311	645	100	54	30
Cuba	7,750	15,936	16,311	4,815	9,787
Jamaica			34	2	1
Haiti	172	312	581	587	453
Dominican Republic	151	76	215	110	41
Trinidad and Tobago				39	
Netherlands Antilles	81	26	247	58	86
French West Indies	60		892	129	
Total North America	11,555	23,288	24,784	9,591	12,106
Colombia	700	381	5,902	4,051	507
Venezuela	781	832	2,977	4,552	1,728
British Guiana			35	7	
French Guiana				29	
Ecuador	3	9	12	9	
Peru			81	42	87
Bolivia	183	164	826	513	140
Chile				88	
Brazil		148	2,676	3,044	1,740
Total South America	1,667	1,534	12,509	12,335	4,202
Denmark			443	4	44
United Kingdom		3		57	20,485
Netherlands	2			1,340	616
Belgium-Luxemburg	3,192	1,153	1,859	693	420
France	6,901	20	1		
Germany	6,610	7,324	10,668	36,614	12,040
Austria	1,956	7,243	4,000	18,695	1,737
Hungary					1,545
Switzerland	639	224	760	622	1,790
Finland		67			
Poland and Danzig	10	355		1,102	4,626
Italy	1,251	978	123	1,059	180
Trieste	1	306	359	442	151
Yugoslavia				9,501	3,162
Greece		5			
Total Europe	20,562	17,678	18,213	70,129	46,796
Kawait					4
Republic of the Philippines	35				13
China			17		
Korea	2				
Hong Kong			7	184	
Japan		17	19		
Total Asia	37	17	43	184	17
French West Africa				65	
Portuguese Guinea					9
Madagascar			55		
Union of South Africa					152
Total Africa	-	-	55	65	161
Grand Total	33,821	42,517	55,604	92,304	63,282

Foreign Commerce and Navigation.

Office of Foreign Agricultural Relations.

In February allocations were suspended and United States export restrictions were removed. Cuba, for example, had large orders for lard placed with dealers in the United States and these were immediately filled when the restrictions were removed. Large shipments of lard in April went to Germany and Austria. Yugoslavia also was an important purchaser of lard during the month. The exports of lard in May declined from the high peak reached in April, but whether this is a temporary decline or a leveling off to more steady demand is difficult to determine at this time. Purchasing power, especially in the European countries, and United States Army purchases will help determine the pattern and size of future exports. Production in the United States is expected to remain at a very high level and it is increasing in the main European importing countries. In Germany, for instance, converted effort is being made to increase hog numbers and thereby increase lard production.

FRUITS, VEGETABLES AND NUTS

UNION OF SOUTH AFRICA DRIED VINE FRUIT PRODUCTION DECLINES

The 1949 preliminary estimate of raisin production in the Union of South Africa is 8,000 short tons compared with 9,400 tons in 1948 and 9,500 tons in 1947. The estimate is 31 percent below the 5-year (1943-47) average of 11,600 tons and 30 percent below the 10-year (1938-47) average of 11,400 tons. The 1949 production was the smallest since 1934. The preliminary estimate of current production was 1,000 short tons compared with 1,100 tons in 1948 and 1,000 tons in 1947. The estimate is about equal to the 5-year (1943-47) average but 11 percent below the 10-year (1938-47) average.

Union of South Africa: Estimated production of dried vine fruits
(Rounded to nearest 100 short tons)

Year	Currants	Raisins
Average		
1943-47	1,100	11,600
1938-47	1,000	11,400
Annual		
1944	1,100	12,200
1945	1,100	11,500
1946	1,200	12,300
1947	1,000	9,500
1948 1/	1,100	9,400
1949 1/	1,000	8,000

1/ Preliminary.

Office of Foreign Agricultural Relations. Prepared or estimated on the basis of official statistics of Foreign Governments, reports of U.S. Foreign Service Officers, results of office research, and other information.

The drop in production is not attributed to growing or harvesting conditions. The sharpest decline in production is reported for sun-dried Sultanas, bleached Sultanas and stalk Muscatels. An increase for Thompson Seedless is reported. The decline in production is attributed to the control of producers' prices which has discouraged production of some types and encouraged others.

The importation of dried vine fruits is prohibited under present law. This law reserves the domestic market for dried fruit produced in the Union. There was no carry-over from 1948 production when the new pack arrived on the market. As usual, exports in 1948 were to the United Kingdom and nearby British areas. This season it is estimated that 1,200 short tons of Thompson Seedless will be exported to southern Ireland and 1,653 tons of ordinary raisins to the United Kingdom. Export prices to southern Ireland have been around $21 per 112 pounds, f.o.b. Capetown. No serious marketing problem is expected during the present season for either raisins or currants.

Although the 1950 harvest is nearly a year away, some opinion is already being expressed with regard both to the size of the pack and export markets. It is now thought that the production of Thompson Seedless will be less than in 1949 and sun-dried Sultanas will be larger, due primarily to competitive factors at home and abroad. The business done with southern Ireland this year is not expected to be repeated because of expected competition from California fruit which, it is believed, will be a more attractive buy.

The exceptional mild winter now being experienced in the Union is expected to delay foliation next spring and reduce the crop of fresh vine fruits. Temperatures of 78 degrees Fahrenheit have been reported and in some instances the vines are said to be putting forth new foliage, thereby preventing the usual work in the vineyards. The 1946 Agricultural Census reports 16,917,035 bearing vines of table varieties and 1,576,965 non-bearing vines. The census also reports 153,659,891 vines of bearing age and 11,199,958 vines non-bearing for all other types of grapes. The total acreage is 15,828 for table grapes and 112,039 for other types. The acreage data unfortunately does not show bearing and non-bearing acreage separately.

UNION OF SOUTH AFRICA DRIED TREE FRUIT PRODUCTION DOWN

The 1949 preliminary estimate of dried tree-fruit production in the Union of South Africa is 2,900 short tons compared with 3,700 tons in 1948 and 4,000 tons in 1947. The estimate is 26 percent below the 5-year (1943-47) average of 3,900 tons and 19 percent below the 10-year (1938-47) estimate of 3,600 tons. The total production is equal to that of 1946. The production of dried pears was the smallest since 1936 while that of prunes was the smallest since 1945. Dried peach production showed the only increase from that of a year ago.

Union of South Africa: Estimated production of specified dried tree fruits

(Rounded to nearest 100 short tons)

	Average 1943-47	1946	1947	1/ 1948	1/ 1949
Apples	100	100	100	100	100
Apricots	600	100	2/ 500	400	300
Peaches	1,000	800	900	800	900
Pears	700	300	600	500	100
Prunes	1,500	1,600	1,900	1,900	1,500
Total tree fruit	3,900	2,900	4,000	3,700	2,900

1/ Preliminary. 2/ Revised.

Office of Foreign Agricultural Relations.

The growing and harvesting season for all tree-fruits was satisfactory throughout the season. Supplies of both labor and fertilizer, while a little short, were generally sufficient to bring in a good crop of fruit. The production of dried fruit declined primarily because of the strong demand for fresh fruit for direct consumption and for canneries. The fresh apple crop was smaller than a year ago and the demand for fresh apples was stronger. Dried apple production in the Union has always been rather unimportant. The canneries processed a larger tonnage of apricots than usual and the export of fresh cots was larger than normal. The fresh pear crop was smaller than usual but the quality was reported much better. The canneries took full advantage of the quality and packed much more than a year ago. Exports of fresh pears to the United Kingdom and the local demand also reduced the tonnage available for drying.

The only increase in production from the previous year, and that only a small one, was reported for peaches. The fresh crop was good-sized, and the canneries were not interested in Muirs. The lack of packer interest in Muirs resulted in more dried peaches. The production of dried prunes is down because of a poor crop.

According to available information, the only carry-over of dried tree-fruits from the 1948 pack consisted of very light stocks on grocers' shelves. The 1949 pack enjoys a relatively clean market with little difficulty expected in moving the small supply. The Union of South Africa has import restrictions on all dried tree-fruits which will, in effect, reserve the domestic market for its own fruit industry. On the other hand, because of high prices, the trade is dubious as to the export possibilities for its dried fruit. The usual export outlet for this fruit is neighboring British areas and the United Kingdom. The existing export regulations permit only 80/90 prunes to be exported. There is no restriction on the exportation of other dried tree-fruits.

The consensus of opinion among trade sources is that dried tree fruit production will increase next season. There is complaint about low prices paid by the United Kingdom for canned and fresh fruit. The returns thus far received on the 1949 crop have been unsatisfactory to many and it is indicated the canned pack in 1950 will be reduced. This will leave more fruit for the dry yards. The Dried Fruit Board and the Trade realize that their prices are higher than that of the world's other producing areas and exports will be difficult in 1950 unless there is unusual foreign demand in 1950, or unless growers are willing to accept lower prices for their fruit.

The latest available statistics on fruit trees in the Union of South Africa taken from the 1946 census are as follows:

	Bearing trees	Nonbearing trees
Apples	2,103,645	603,350
Apricots	1,834,634	889,006
Peaches	3,789,430	948,542
Pears	727,842	126,335
Prunes	262,336	76,976

VEGETABLE SHIPMENTS FROM MEXICO DECREASED LAST SEASON

Shipments of fresh vegetables from the West Coast of Mexico to points in the United States and Canada, amounting to 157.2 million pounds for the 1948-49 season, were substantially below the volume shipped during the 2 preceding seasons amounting to 221.7 and 265.3 million pounds respectively.

Tomato shipments during 1948-49 amounted to 148.8 million pounds as compared with 199.4 in 1947-48 and 234.3 million in 1946-47. Shipments of green peppers and peas were also smaller as compared to the 2 previous seasons. Reduced shipments probably were the result of heavy rains, floods, hurricanes and interruptions in railroad service when volume was at its height. Heavy precipitation earlier in the year, and low temperatures during the spring served to prolong the season and resulted in production of vegetables of better grade than during the 2 previous seasons.

Shipments of vegetables from West Coast,
Mexico to U. S. and Canada

Item	Season beginning November		
	1946	1947	1948
	1,000 pounds	1,000 pounds	1,000 pounds
Tomatoes	234,314	199,414	148,758
Peppers, green	22,228	18,883	5,454
Peas, green	7,537	3,042	2,900
Mixed	1,191	326	107
Total	265,270	221,665	157,219

BRAZIL'S ORANGE CROP SMALLER

The 1949 indicated production of oranges in Brazil is placed at 30 million boxes, which is 1.6 million less than the 1948 outturn of 31.6 million and 4.5 million below the prewar average of 34.5 million. The principal reduction in yield is due to orchard neglect in the commercial producing regions in the Federal District and adjoining districts in the State of Rio de Janeiro.

The Sao Paulo crop has been harvested with the entire exportable surplus of 300,000 boxes going to Argentina. Exports from the Rio de Janeiro area will amount to around 2.2 million boxes, as compared with 2.5 million the previous year. Of Rio De Janeiro's export, 800,000 boxes have been sold to England, 1,200,000 to Argentina, 100,000 boxes to Canada and 100,000 to Belgium.

ORANGE CROP LARGE IN SOUTH AFRICA

The first estimate of citrus production in South Africa, places the crop at 7.2 million boxes, 13 percent higher than the 6.3 million and 4 percent above the 1940-44 average of 6.9 million. Current production consists of oranges, 6,083,000 boxes; grapefruit, 859,000 and lemons, 215,000 as compared with 5,372,000, 758,000 and 190,000 boxes respectively in 1947. Increase in production is due partly to sufficient water supplies in storage dams and to the increase in the available supply of fertilizer.

Exports of the 1947-48 crop amounted to 3,475,000 boxes, of which the United Kingdom received 3,068,000; Belgium, 151,000; Ireland, 100,000; Sweden, 69,000, Mauritius, 10,000 and the remainder, other countries. Of the 7,157,000 boxes produced in 1948-49, the United Kingdom will buy 3,500,000 and about one half million will be exported to western European countries.

CANADIAN FRUIT PRODUCTION HIGHER

First estimate of fruit production in Canada for 1949 shows some increase for most fruit over last season's crop. Apple production is indicated to be 16,770,000 bushels, 25 percent higher than last year's crop of 13,404,000, and 15 percent higher than the prewar average of 14,560,000 bushels. In Nova Scotia, apple production estimated at 4,500,000 bushels is nearly double the previous year's crop of 2,291,000. New Brunswick will have a slightly smaller crop, and Quebec about the same as last year, while Ontario's estimated at 3,309,000, is about 1 million above last year's crop of 2,340,000. British Columbia, the largest producer, has an indicated crop of 7,471,000 bushels, 3 percent above the 1948 crop of 7,273,000. The pear crop estimated at 831,000 bushels, compares with 789,000 for 1948 and 569,000 the prewar average. The peach crop estimated at 2,025,000 bushels is 15 percent above the 1948 crop of 1,760,000 and about double the prewar average of 1,023,000. The plum and prune crop, estimated 18,600 tons (744,000 bushels), compares with 16,775 tons (671,000 bushels) last season.

FRUIT: Production in Canada
by provinces 1948 and 1949

	Nova Scotia	New Brunswick	Quebec	Ontario	British Columbia	Total
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
Apples						
1948	2,291	300	1,200	2,340	7,273	13,404
1949	4,500	290	1,200	3,309	7,471	16,770
Pears						
1948	22	-	-	219	548	789
1949	22	-	-	323	486	831
Plums and prunes						
1948	9	-	-	296	366	671
1949	9	-	-	277	458	744
Peaches						
1948	-	-	-	1,030	730	1,760
1949	-	-	-	1,226	799	2,025
Apricots						
1948	-	-	-	-	152	152
1949	-	-	-	-	172	172
Cherries						
1948	-	-	-	261	131	392
1949	-	-	-	217	187	404

Office of Foreign Agricultural Relations.

TOBACCO

TURKEY'S 1949 TOBACCO CROP FORECAST ABOVE 1948; EXPORTS INCREASE

Turkey's 1949 tobacco crop is forecast at about 12 percent above the 1948 harvest, according to the American Embassy in Ankara. Leaf exports have been at record levels for the first 5 months of 1949.

The country's 1949 tobacco crop is officially forecast at about 198 million pounds from 287,000 acres, as compared with the 1948 harvest of 176.4 million pounds from 262,000 acres, and the record 1947 crop of 220.5 million pounds from 320,000 acres. Unfavorable weather delayed tobacco plantings this season, but it is reported that most of the crop had been planted by the middle of June.

Exports of leaf tobacco from Turkey for the 5 months ending May 31, 1948, totaled 98.5 million pounds, or an average of 19.7 million pounds per month. This compares with exports of 33 million pounds, or an average of 6.6 million pounds per month for the first 5 months of 1948 and a total of 109.3 million pounds, or a monthly average of about 9.1 million pounds for the calendar year 1948. Of the 98.5 million pounds exported during the first 5 months of 1949, about 23.9 million pounds were shipped to Germany, 18.9 million to the United States, 13 million to the United Kingdom and 11.2 million to Canada. Other important outlets for Turkey's leaf in 1949 include Austria, Czechoslovakia, Denmark, France, the Netherlands, Sweden, Switzerland and Egypt.

Unsold stocks of leaf on hand at the middle of June 1949 were reported to total 70.5 million pounds. This compares with an exportable surplus of 138 million pounds on July 1, 1948. The stocks on hand at the middle of June consisted of 37.5 million pounds of leaf from the 1946 and 1947 crops and 33 million pounds from the 1948 crop. These stocks are held by government agencies as all tobacco has left the farmer's hands. Stocks now held by the government are expected to be sold on the tobacco markets next fall.

MEXICAN TOBACCO PRODUCTION RISES

Mexico's 1948-49 tobacco crop is reported to be about 17 percent above the 1947-48 harvest, according to the American Embassy in Mexico City.

The country's 1948-49 tobacco crop is estimated at 59.4 million pounds, as compared with 50.9 million pounds in 1947-48. During the 5-year period, 1942-43 through 1946-47, Mexico produced an average of 51.4 million pounds of leaf tobacco annually. Native light types of leaf accounted for 63 percent of the total production in 1948-49, as compared with 55 percent in 1947-48. Production of these types totaled 37.5 million pounds in 1948-49 and 28 million pounds in 1947-48. In addition to native light types, Mexico in 1948-49 produced about 18.7 million pounds of dark leaf, 2.4 million pounds of flue-cured and 772,000 pounds of Burley.

The 1948-49 tobacco crop was planted between September and December of 1948 and harvested between March and May of 1949. The crop is reported to have been grown and harvested under normal weather conditions. All of the current crop will be marketed by about August 1.

According to reports, there has been a tendency in recent years toward the over-production of light tobaccos, and the production of insufficient dark leaf to meet domestic needs. Production in the dark leaf regions has decreased both because of smaller plantings and lower yields on lands slowly becoming exhausted from over-cultivation and failure to use fertilizers or rotate crops.

FORECAST LARGER CANADIAN FLUE-CURED TOBACCO CROP IN 1949; LEAF STOCKS HIGHER

Canada's 1949 flue-cured tobacco crop is tentatively forecast at approximately 110 million pounds, as compared with 102.4 million pounds in 1948, according to the American Consulate in Hamilton. Stocks of flue-cured leaf have increased steadily during the past 5 years.

The area devoted to flue-cured tobacco is estimated at around 98,000 acres, as compared with 90,874 acres in 1948. The base acreage for members of the Ontario Flue-Cured Marketing Association, excluding Essex County, is 108,350 acres. As in 1948, members of that Association were required by the board of directors to reduce plantings by 15 percent, or to 92,700 acres. Although members planted only 87,500 acres in 1948, an increase in 1948 of 4.75 cents per pound over 1947 leaf prices is believed to have encouraged growers to plant the entire acreage permitted this season. Flue-cured plantings in Essex County are estimated at 1,300 acres and non-member plantings in other sections of Ontario at 500 acres. About 5,000 acres were planted to flue-cured tobacco in Quebec. However, due to some crop losses as a result of unfavorable weather, Canada's flue-cured acreage is now estimated at 98,000 acres. If the 1949 yield should approach the 1,127 pounds per acre obtained in 1948 a crop of approximately 110 million pounds would be harvested from this acreage.

Canada's flue-cured crop suffered considerable damage in late May and early June from frost and high winds, causing some concern to growers, as they feared that the supply of seedlings was insufficient to replant the damage areas. However, it is reported that most damaged areas have been replanted and that the crop is progressing satisfactorily.

Stocks of flue-cured leaf on hand on March 31, 1949, totaled 136.4 million pounds. This compares with 123 million pounds on hand on the same date in 1948, 125.7 million in 1947, 99.8 million in 1946 and 93.1 million in 1945.

Domestic consumption of flue-cured leaf totaled about 70 million pounds in 1948. Cigarette production in 1948 is reported to have totaled 17,685 million pieces, as compared with 15,687 million pieces in 1947.

COTTON AND OTHER FIBER

COTTON-PRICE QUOTATIONS ON FOREIGN MARKETS

The following table shows certain cotton-price quotations on foreign markets converted at current rates of exchange.

COTTON: Spot prices in certain foreign markets, and the U.S. gulf-port average

Market location, kind, and quality	Date 1949	Unit of weight	Unit of currency	Price in foreign currency	Equivalent U.S. cents per pound
Alexandria		Kantar			
Ashmouni, Good	7-21	99.05 lbs.	Tallari	46.00	38.38
Ashmouni, F.G.F.	"	"	"	43.00	35.88
Karnak, Good	"	"	"	78.25	65.29
Karnak, F.G.F.	"	"	"	(not	quoted)
Bombay		Candy			
Jarila, Fine	"	784 lbs.	Rupee	620.00	23.86
Broach, Fine	"	"	"	650.00	25.01
Karachi		Maund			
4F Punjab, S.G., Fine	7-20	82.28 lbs.	"	87.00	31.90
289F Sind, S.G., Fine	"	"	"	93.00	34.10
289F Punjab, S.G., Fine	"	"	"	93.00	34.10
Buenos Aires		Metric ton			
Type B	7-21	2204.6 lbs.	Peso	4000.00	54.03
Lima		Sp. quintal			
Tanguis, Type 5	7-20	101.4 lbs.	Sol	380.00	35.81
Pima, Type 1	"	"	"	440.00	41.47
Recife		Arroba			
Mata, Type 4	7-21	33.07 lbs.	Cruzeiro	200.00	32.90
Sertao, Type 5	"	"	"	185.00	30.44
Sao Paulo					
Sao Paulo, Type 5	"	"	"	193.00	31.75
Torreon		Sp. quintal			
Middling, 15/16"	"	101.4 lbs.	Peso	197.00	22.46
Houston-Galveston-New Orleans av. Mid. 15/16"	"	Pound	Cent	XXXXX	31.18

Quotations of foreign markets reported by cable from U.S. Foreign Service posts abroad. U.S. quotations from designated spot markets.

PAKISTAN COTTON EXPORTS AT LOW LEVEL

Exports of cotton from Pakistan during the nine and one-half months September 1-June 16, 1948-49, were reported at approximately 610,000 bales (of 500 pounds gross). Exports of 130,000 to 140,000 additional bales (mostly poor quality) may be expected before the end of August. This would result in a total of around 750,000 bales for the year compared with 1,017,000 bales a year ago. The crop was smaller than was expected earlier in the season and the available surplus was not equal to the export quota of nearly 900,000 bales.

Export allocations announced on October 30, 1948, for the year ending August 31, 1949, totaled 896,000 bales, including 542,000 for India. Purchases by importers in India (through June 16, 1949) totaled only about 330,000 bales, nearly all of which was exported by that time. About 83,000 bales of the first-period quota lapsed on May 15 because of inability to complete licensing arrangements for the purchases. It is doubtful if importers in India will purchase more than 40,000 or 45,000 additional bales before the end of the current season because of relatively high prices and a scarcity of desirable qualities.

No export quota was allotted to Japan this year but 62,500 bales have been exported to Japan this year under special arrangements. The lapsed portion of India's quota, about 83,000 bales, was reallocated as a total to China, Hong Kong, Poland, Finland, Hungary, and Czechoslovakia. Individual quotas in this group will depend on the amounts in the sale contracts made by the exporters.

The 1948-49 crop in Pakistan is now estimated officially at 872,000 bales (of 500 pounds gross), compared with an earlier estimate of 1,083,000 bales, on which the export quotas were based. The latest acreage estimate is 2,911,000 acres, a decrease of 211,000 acres from the 1947-48 estimate. The 1947-48 production estimate was 925,000 bales. No estimates are available for the 1949-50 crop.

Stocks of cotton in Karachi on June 16, 1949, were estimated at 108,000 bales, all except 6,000 of which were owned by exporters. Additional arrivals expected from the interior before August 31 may total 25,000 to 40,000 bales. Both the port stocks and the expected arrivals from up-country stocks are reported to be comprised largely of the poorer qualities. About 28,000 bales have been destroyed by fire in or near port warehouses during the current season.

TROPICAL PRODUCTS

LARGER BRAZILIAN CACAO PRODUCTION FORECAST FOR 1949-50

Brazil's 1949-50 cacao production has been forecast at about 275 million pounds, according to an American Cocoa Research Institute memorandum transmitted by the American Consulate, Bahia. This compares with 240 million pounds in 1948-49, 190 million pounds in 1947-48, 335 million pounds in 1946-47, and an annual average prewar, 1935-39, production of 265 million pounds.

Several factors contribute to this estimate of a good 1949-50 cacao crop. Weather conditions have been favorable, with rain and sunshine well distributed. That part of the crop already on the trees indicates that production will be better this year than last. Many of the trees damaged by the severe dry spell and following floods in 1947 have recovered their vigor, with consequent improved productive capacity. Areas abandoned during the war were rehabilitated during the following period of high prices. Increasing yields of maturing young trees planted in 1940 to 1943 should also contribute to a larger crop in 1949-50.

Bahia's cacao production represents about 96 percent of the total Brazilian cacao crop and about 18 percent of the world's cacao supply. Other cacao-producing States in Brazil are Espirito Santo and Para. Cacao has been grown in Bahia for over 200 years, the first cacao tree having been planted there in 1746. Production increased slowly until 1860, amounting to only about 1.3 million pounds in that year. From 1860 on, production rose more rapidly, reaching 29 million pounds annually by 1900, 63 million by 1910, and 170 million by 1927. At this point, it started to drop, and fell to 128 million pounds by 1930. Production then rose to 304 million pounds by 1937, after which it began to decline as a result of a lower yield in some of the older areas, the increase of pests, partial abandonment because of lower prices, and a series of poor weather conditions. However, the 1946-47 cacao crop rose sharply to a record high of 327 million pounds.

The production for the 1947-48 crop year dropped to 184 million pounds. This sudden decrease was caused partly by a reaction of the trees following the heavy 1946-47 crop, but resulted primarily from adverse weather. From October 1946 to March 1947, there was a severe dry spell which killed many trees, burned the foliage on others, and caused the flowering to be unusually light. Although regular weather conditions and normal rains followed this dry spell for awhile, further damage was caused by exceptionally heavy rains and a series of 3 floods in September, October, and November of 1947. These heavy rains, coming during the harvest period of the main crop, further reduced the 1947-48 crop.

Recovery in these damaged areas and more or less normal weather conditions brought the 1948-49 crop back to about 231 million pounds, which probably is still below average for Bahia. Bahia's 1949-50 cacao crop (May 1 to April 30) is forecast at roughly 265 million pounds.

RISE FORECAST IN NICARAGUA'S COFFEE PRODUCTION

Nicaragua's 1949-50 coffee crop, expected to be one of the largest crops in the country's history, has been forecast at about 305,000 bags, according to the American Embassy in Managua. This is nearly twice as large as the 1948-49 crop of 155,000 bags and considerably larger than the 205,000 produced in 1947-48. It exceeds by almost 10 percent the annual average prewar, 1935-39, production of 280,000 bags. Since Nicaragua's annual domestic consumption amounts to about 45,000 bags, the 1949-50 crop should provide an exportable surplus of around 260,000 bags.

There are about 67 million coffee trees of all ages in Nicaragua. Of these, around 6 million are under 5 years of age, 19 million are between 5 and 20, 16 million are between 20 and 35, and 26 million are over 35 years old. The normal yield per tree is approximately one-half pound of green coffee. A considerable area suitable for coffee culture is still available in the Matagalpa-Jinotega region of Nicaragua, but present isolation from centers of population and lack of roads make coffee planting there impracticable.

EL SALVADOR'S 1949-50 COFFEE CROP FORECAST SLIGHTLY LOWER

El Salvador's 1949-50 coffee crop has been forecast at 1,150,000 bags by the Compania Salvadorena de Cafe de El Salvador, according to the American Embassy in San Salvador. This is only a little lower than the 1948-49 bumper crop of 1,195,000 bags. Weather conditions have been very favorable for the new crop. Rain began in all important coffee-growing sections of the country just as the coffee trees reached full flowering.

Since domestic consumption of coffee in El Salvador is about 75,000 bags annually, the 1949-50 crop should provide around 1,075,000 bags for export. Coffee exports from October 1, 1948 to May 31, 1949 amounted to 1,150,260 bags, most of which came from the 1948-49 crop.

LIVESTOCK AND ANIMAL PRODUCTS

CANADA DROPS EXPORT REGULATIONS ON CHEESE

Canada announced on June 30 that permits will be granted for export on all types of cheese to any destination. According to the American Embassy, Ottawa, export regulations on cheese had been maintained because production in the first quarter of 1949 was very light and there was some doubt that enough cheese would be available to fill the 1949 United Kingdom contract of 50 million pounds. In addition, the United Kingdom had indicated it would take all the cheese Canada could spare this year.

Two factors changed the outlook considerably. First, the expectation that Britain would take more cheese than contracted for became less likely with the tightening British exchange situation and ECA authorization was not available for purchases of cheese in Canada. Second, cheese production in the second quarter of 1949 was substantially improved over that of the first quarter, and 25 million pounds of cheese have already been committed to the United Kingdom contract. Government officials estimate the contract will be filled by August.

The relaxation of export permits was timed to give exporters an opportunity to investigate potential markets should a surplus develop. However, dairy officials in the Government do not expect a large surplus of cheese this year since the season for high milk production will be ending by the time the contract is filled. In addition, a greater than seasonal decline in milk production is anticipated late this year because of poor pastures from severe drought in important producing areas. Domestic needs will require most of the production after August as stocks are low because buyers have been staying out of the market, hoping to purchase at lower prices after the contract has been filled.

Canadian officials expect the United States market will absorb 3 to 4 million pounds of aged cheddar and specialty cheeses, for these are probably the only types which will be able to compete with similar United States cheeses after paying duty and freight charges.

Export controls were removed from all dairy products except cheese and butter on April 12, 1949. However, export permits for butter have been issued freely since April 6, when it became apparent that sales of margarine were cutting sharply into the domestic demands for butter.

BELGIAN EXPORTS OF SHELL EGGS INCREASE

Belgian exports of shell eggs during May continued up sharply to a total of almost 6,000,000 eggs, of which about 2,500,000 went to Uruguay, 2,500,000 to Bizonal Germany and 600,000 to Switzerland. Egg exports during May were a little over half the 1938 monthly average. Belgium's 1948-49 egg program lists production of 112,000 metric tons (16,700 eggs per metric ton), imports at 7,500 tons, exports at 1,000 tons and consumption at 115,500 tons. The revised 1949-50 egg program estimates production at 125,250 metric tons, imports at 500 metric tons, exports 600 metric tons and consumption at 119,750 metric tons.

INTERVENTION IN BUTTER EXPORTS DROPPED BY ARGENTINA

The Argentine Government terminated intervention in the butter exports by a decree passed June 10, 1949. Previously the Argentine Trade Production Institute established quotas and granted licenses to butter exporters. However, present stocks are small and no immediate increase in exports is expected.

URUGUAY GETS DOLLARS FOR WOOL

The Uruguayan wool market is now active after being exceedingly dull for several months. An estimated 3,000 bales have been sold to the United States during the past few days, according to the American Embassy at Montevideo. Prices are firm at about one-third less than the peak prices reached early this year, and about one-fifth lower than at the same time last year. The closing of other major wool markets and lowered prices are responsible for the increased activity.

Uruguayan officials hope American interest will continue so that the heavy stocks can be disposed of before the new clip begins in October. Stocks are estimated at 30,000 metric tons. However, some of the stock is of the lower grades not normally bought by the United States. The need for dollar credit is another reason the officials hope that United States interest will continue high for wool, Uruguay's chief source of dollars.

BRITISH IMPORT CUTS---(Continued from Page 83).

ECA assistance produced a substantial revival in British imports of United States agricultural products. For 1948 as a whole, the United Kingdom's imports of food, tobacco and cotton amounted to $212 million or 6 percent of total British imports of these products. The upward trend continued during the first half of 1949, with the exception of tobacco, of which the United Kingdom had bought about $78 million worth in the second half of 1948. British imports of United States cotton in the first 5 months of 1949 amounted to $86 million ($10 million more than in 1948 and proportionately about as much as in 1938). Imports of food remained, however, less than half as large as in 1938. Our share in British food imports were valued at $55 million dollars. The principal food items--imported from the United States were wheat and flour ($24.9 million), cheese ($11.1 million) corn ($4.6 million), citrus fruit juices ($1.6 million), milk powder ($1 million), and lard ($0.8 million).

LATE NEWS

(Continued from Page 72)

Pastures, roots, vegetables and late-sown grains have been adversely affected by extended dryness from early part of June to middle of July. The adverse pasture conditions have resulted in somewhat lowered milk output. The size of the main cutting of hay was only slightly reduced by the dry weather and it was put up under exceptionally favorable conditions.

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The 1948-49 cotton crop in Argentina is now estimated privately at about 460,000 bales (of 500 pounds gross), compared with earlier estimates of around 575,000 bales and last year's crop of 423,000 bales. Smaller yields this year are attributed to heavy rains, early frosts, and a shortage of labor. A moderate shortage of the high grades desired by Argentine mills is expected this year as well as a larger export surplus of the low grades.

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The 1949 cotton acreage in Greece is forecast at above 136,000 acres, or 21 percent above the 1948 estimate of 112,000 acres.

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Correction: The 1948 cotton crop estimate in Turkey shown as 235,000 bales in last week's issue recently was revised to 308,000 bales.

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Drought in May and June in Mexico may result in a downward revision of the 1949 cotton production estimate previously placed at 723,000 bales of 500 pounds gross. This figure is 29 percent higher than last year's previous all-time record of 560,000 bales. Domestic mill requirements probably will total between 250,000 and 275,000 bales in 1949-50. Quotations for Middling 15/16 inch cotton at Torreon on July 14 were equivalent to around 22.5 cents a pound in United States currency. Cotton from the Matamoros District (the principal exporting area) usually commands a slightly higher price than that from other areas.

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The Argentine Government has removed domestic ceiling prices on soap, edible and inedible fats and oils. The Government had been paying subsidies to maintain ceiling prices to consumers. Because of rising production costs, the Government was faced with the alternatives of increasing subsidies or removing the ceilings.

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The first official estimates from Australia of the 1949-50 wool crop places shorn wool at 3,430,000 bales equivalent to 1,029 million pounds. This is an increase of nearly 7 percent in the size of the clip this season over that of the 1948-49 season. Adjusting for pulled wool and other wool not shorn, the total output for the 1949-50 season is now expected to exceed 1,100 million pounds.

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